

Arkansas National Guard Foundation

10 March 2022 Agenda

Welcome

Old business

Approve Prior Meeting Minutes

ANGF By-law Change Committee ANGF

Lighthouse Report

New business

MOU with Department of Military, \$100,000 Appropriations.

Attorney General Grant, \$250,000

Act 189, \$5,000,000

Establishing Priorities for Funds Execution

EANGUS Conference Aug 2022

ARNGF Quarterly Meeting Dates

Adjourn

MEMORANDUM FOR RECORD

SUBJECT: Minutes of Foundation Board of Directors meeting: 10 March 2022

Officers Present: President, Paul Jara
 Vice President, Russell Betts
 Secretary, Adam Warford (Zoom)
 Ryan Workman (sitting in for NGAA
 President Shalin Gieson)
 NGAA Executive Director, Damon Cluck
 EAANG President, Derrick Young (Zoom)
 EAANG Rep. Brian Mays (Zoom)
 Gary Wynn

Visitors: Eric Lothian-Priddy, Holifield & Ables (Zoom)
 Catherine Johnson, Catherine Johnson & Associates

1. Jara called the meeting to order and reviewed the agenda for the meeting.

Old Business

2. Betts made a motion to accept the minutes from the meeting on 14 October 2021 as presented, but with an addendum to include email exchanges between members regarding hiring Catherine Johnson, marketing brochure, expenses for Gold Star families, and honorarium for Scott Mann. Wynn offered a second. No further discussion was had and the minutes with addendum were approved unanimously.

3. Bylaws Subcommittee. Cluck talked about MWR board profits shared with charities and are looking to connect with the Foundation. Anyone who wants to be involved with the bylaw writing committee should make it known.

4. Lighthouse Report. Betts noted no changes to the portfolio at this point. Will explore ACM to renegotiate professional fee when Foundation receives allocated funds.

New Business

5. MOU with Department of Military, \$100,000 appropriations. Cluck stated that it lays out restrictions on spending the grant. There is no mention of how the money is to be invested. Cluck recommends investing it and 12 months from now to decide what to do with it. Betts stated we need to know the spend plan and then decide how to use it. He suggested telling the Investment Committee what

the Foundation wants. Discussion followed. It was discussed to modify the investment policy to add survivors. Eric Lothian stated commingling should not be a problem. It was stated that the Foundation can't get funds from two different services in the Department of Military. Workman asked if #11 had to be in the MOU. Cluck noted that we would have to provide an audit trail for anything to the Department of Military. Lothian said that one account is easier for transparency. There was more discussion.

Betts made a motion that the Foundation would eventually be the Administrator. Wynn seconded. There was discussion that whatever the SOP looks like, ask that the Foundation has a say in modifying it. The motion was approved unanimously.

6. Attorney General Grant, \$250,000. Cluck noted there are no stipulations. Betts started a discussion about how the money would be allocated. Cluck asked about the need for a MOU. Discussion ensued.

Jara proposed to hire an Executive Director who could give the board recommendations of how to prioritize the use of funds and suggested Damon Cluck. There was discussion. Cluck mentioned there should be an announcement of the position.

Betts made a motion to form a working group to come up with a one-year budget, to see how much to pay an Executive Director. Motion was seconded. The motion was approved unanimously (Cluck abstained).

There was continued discussion about where to place the \$250,000. Priorities need to be set. Betts made a motion to send out a ballot to all board members on how to allocate the \$250,000. Wynn offered a second. The motion was approved unanimously.

7. Act 189, \$5,000,000. Many thanks to everyone involved in sponsoring the Bill. Discussion ensued about the type of award to give to Senator Hill at the bill signing at the State Capitol. Representatives from all the projects benefitting from these proceeds will be attending the signing. It was decided to give Senator Hill the Minuteman award.

There was discussion regarding earmarking some of the money to use for projects and then placing some in an account to earn money. There was a discussion of endowment programs. The question was raised if we had an investor name an endowment, would the Foundation allow this? There was a suggestion that several names be on an endowment, to be divided up.

8. EANGUS Conference August 2022. There was a discussion regarding having the Foundation having a table at the Conference. A booth would probably cost \$1,200 to \$1,400. Cluck made a motion to spend the money to have a booth at the EANGUS Conference with a cap of \$1,500 to spend.

9. Cluck listed several upcoming bills that would need to be paid, including \$25,000 to EAANG, \$10,000 to the Officers Association, and \$37,500 for Scholarships (July 1). He made a motion that \$65,000 be moved from Lighthouse to the Foundation's checking account. Betts offered a second. The motion was approved unanimously.

10. Jara asked if there were any other alibis or new discussions.

12. Jara made a motion to adjourn and Betts offered a second. There was no further discussion and the meeting was adjourned.

DRAFT
MEMORANDUM OF UNDERSTANDING AND AGREEMENT

This Memorandum of Understanding and Agreement (MOU&A) is entered into by and between The Adjutant General, Arkansas National Guard and the President of the Arkansas National Guard Foundation (ANGF) Board of Directors.

PURPOSE: The primary purpose of this MOU&A is to create and administer a pilot program providing \$100,000 from the Military Family Relief Trust Fund for management by the ANGF for appropriate disbursement to Arkansas National Guard and reserve component members and their immediate families for short term emergency financial assistance in the form of grants not to exceed \$1,500 in a 12 month period in accordance with Arkansas Code Annotated § 26-51-2506 and NGAR Regulation 2015-002

SCOPE OF SERVICES AND RESPONSIBILITIES OF PARTIES:

- 1) This is a pilot program. Under this MOU&A, \$100,000 will be transferred from the Military Family Relief Trust Fund to a dedicated account held by ANGF for the sole purpose of issuing grants to Arkansas National Guard and Reserve component members and their families.
- 2) Grants will be made through the ANGF as it is specifically designated to make these grants by authority of the Adjutant General under Arkansas Code Annotated §19-5-1127.
- 3) Grants will be made in increments of no more than \$1,500 per family within a 12 month period.

- 4) Members of the Arkansas National Guard and Reserve components and their families who receive grants through The Military Family Relief Trust Fund are not eligible to receive grants through the ANGF pilot program during the same 12 month period.
- 5) Members of the Arkansas National Guard and Reserve components and their families who receive grants through the ANGF are not eligible to receive grants through the Military Family Relief Trust Fund during the same 12 month period.
- 6) All grants given must be requested to resolve a crisis situation that is beyond the control of the Servicemember or family member. This must be for a one time only problem not an ongoing situation.
- 7) The eligibility criteria for receiving grants will be in accordance with Arkansas Code Annotated § 26-51-2506 and NGAR Regulation 2015-002, and shall include, but not be limited to the following:
 - (i) The need of the family
 - (ii) The pay grade of the Servicemember
 - (iii) The difference between the Servicemembers military salary and civilian salary, or
 - (iv) Any other factors that establish the family's financial hardship.
- 8) Applicants for grants are to be cautioned that the fund is only to be used if assistance is not available from any other source.
- 9) All payments from this fund shall be handled in accordance with Arkansas Code Annotated § 26-51-2506 and NGAR Regulation 2015-002.
- 10) The Adjutant General of the Arkansas National Guard retains the authority and responsibility to promulgate all rules necessary for implementing this grant program.
- 11) The funds transferred to control of and dissemination by the ANGF will not be comingled with any other funds. Comingling means depositing or recording funds in a general account without the ability to identify each specific source of funds for every expenditure.
- 12) ANGF must demonstrate the responsibility, financial management capacity and fiscal integrity necessary to adequately and appropriately manage any and all Arkansas Military Department funds that are transferred through this pilot program.

- 13) The adequacy of the ANGF's accounting system will be determined in line with the requirements set forth by the Office of Intergovernmental Services at the Arkansas Department of Finance and Administration.
- 14) At the request of The Adjutant General, the ANGF will employ an outside accounting firm to review the books to ensure compliance for every transaction and to alert ANGF leadership to any concerns.
- 15) The financials will be reviewed by the ANGF Board at every quarterly meeting and will be reported to The Adjutant General.
- 16) The funds will be subject to legislative audit at any time.

PERIOD OF PERFORMANCE: The period of performance of the terms and conditions of the MOU&A shall begin on September ___2018 and terminate on September ___2019. This MOU&A may be renewed in two year intervals upon the parties executing a renewal agreement prior to the date of termination. Any remaining funds will be returned to the Military Family Relief Trust fund at the termination of the MOU&A.

TERMINATION: Any party may terminate this MOU&A at any time by giving sixty (60) days written notice to the other party of such termination and specifying the effective date thereof. Any remaining funds will be returned to the Military Family Relief Trust fund at the termination of the MOU&A.

ACCESS TO ASSIGNMENT: There can be no assign or subcontract in whole or in part of the rights and obligations of the parties under this agreement.

APPLICABLE LAW: This MOU&A shall be governed by and construed in accordance with the laws of the State of Arkansas and any litigation with respect thereto shall be brought in the courts of the state. Both the AMD and the ANGF shall comply with applicable federal, state and local laws and regulations.

SEVERABILITY: Should any term or provision of the MOU&A be found to be prohibited by the laws of the United States or the State of Arkansas or should any term or provision be declared invalid or void by a court of competent jurisdiction, the remaining terms, conditions, and obligations shall be valid and enforceable, to the fullest extent permitted by law, and shall not be affected by the invalidity of any other section.

MODIFICATION OR AMENDMENT: This MOU&A shall not be modified, altered, or changed except by mutual consent of the parties. Any modification or

amendment shall be made in writing, clearly stating the changes being affected and shall be duly executed by an authorized representative of each party.

Entire Agreement: This MOU&A attached hereto constitutes the entire agreement between the parties with respect to the subject matter contained herein and shall supersede and replace any and all prior negotiations, understanding, and agreements, whether written or oral, between the parties hereto.

APPROVED:

THE ADJUTANT GENERAL

Date

Damon Cluck, PRESIDENT
Arkansas National Guard Foundation

Date

AR National Guard Foundation

1. Gold Star/Fallen Soldier Services-\$2M/ \$80k
 - a. \$20k Family Assistance
 - b. \$20k Education Assistance-Kids
 - c. \$40K Emergency Assistance

2. Education/Scholarships-\$2M/ \$80k
 - a. \$40k College/Post High School (Historically \$750-\$1K per Scholarship)
 - b. \$20k Trade School
 - c. \$20k Private School (Primary Education-Pre-College)

3. National Guard Literacy-\$2M/ \$80k (Increases Force Readiness/Retention)
 - a. \$30k Professional Development (National/State Conferences, Leadership Tng/Courses, etc)
 - b. \$10K Life Skills/ Financial Literacy
 - c. \$20k Health Care Education-Mental Health (Suicide Prevention), etc
 - d. \$20k Career Counseling-Post Military Career

4. Emergency Relief-Current Guard Members-\$1M/ \$40k
 - a. \$30k Health Care Assistance
 - b. \$20k Family Assistance-Spouse/Dependents
 - b. \$10k Emergency (Non-Healthcare)

5. Youth Engagement-Recruitment-\$1M/ \$40k
 - a. \$20k Military Youth Camps-Recruiting(Formerly Minutemen Youth Camp)(Grads for Youth Challenge Pgm-Allotment for Career Counseling)
 - b. \$10k Day camps (Child care for Drill weekends)
 - c. \$10k High School/ROTC-Recruiting Visits/Base and Post Orientation Visits

6. Health Care Assistance-\$2M/ \$80
 - a. \$40k Dental-Offset Costs/Education-Vouchers to offset costs, etc.
 - b. \$40K General Health Care Costs (non-Dental)

7. Legacy Preservation-\$1M/ \$40k
 - a. \$20k Retiree Outreach-Maintaining Connections-Unit Heritage
 - b. \$20k Museum Facility Upgrades & NGAA Building Upgrades/Additions

ARKANSAS NATIONAL GUARD FOUNDATION PROJECTS

1. Gold Star Families / Survivor Outreach Services. The Arkansas National Guard Foundation (ANGF) supports GSF and Survivors through three lines of effort. First, ANGF has created a GSF Emergency Relief Fund which provides up to \$20,000 per year in direct relief for Survivors families who are struggling economically. This may include aid for unexpected emergencies, catastrophic medical bills, childcare, spousal employment education, post disaster relief, and/or nutritional assistance through no-interest loans and/or grants to help meet immediate needs and make a positive step towards a lasting financial solution. Second, the ANGF can provide education grants, loans and/or scholarships to dependent children, surviving spouses, and survivors of all branches of service. This program can include projects for those experiencing financial need during the Christmas holidays. Finally, ANGF understands the unique bonds and sense of community that exists within the Survivor community across Arkansas. The ANGF targets programs that enable Survivor families to come together to support one another. These programs can consist of an annual Christmas celebration in the State capitol each year, a summer outing for the families at Greers Ferry Lake, and the boot display on the front steps of the state Capitol during Gold Star Family Day, as well as other programs to honor these families.

2. Education and Scholarships for Guardsmen and their dependents. For over 40 years, the ANGF and its predecessors have provided an annual scholarship program to Guard members, their dependents, and survivors. To date the program has awarded over \$1.1 million in scholarships. On average, the Foundation has supplied fifty, \$750 scholarships, but inflation has driven down the value of these scholarships, and demand annually out strips the funds available. The scholarship program normally receives over 100 applications for the available scholarships. Finally, many military families could benefit from the opportunity to enroll their children in private schools here in Arkansas, so the ANGF would like to begin offering scholarships for Primary Education.

3. National Guard Literacy Programs. The goal of the ANGF is to increase force readiness and increase retention rates among the Arkansas National Guard members by enhancing our ability to provide quality professional development and educational opportunities. Attendance at various state and national conferences of various professional organizations can aid in this development. This program supplements the Arkansas Department of the Military in providing programs that combat the problem of suicide among currently serving and recently separated members who could be at risk of self-harm. This line of effort includes life skills and financial literacy training to young National Guard families; ensuring that Guard members are planning for retirement and post service job placement.

4. The Arkansas Reserve Component Emergency Relief Fund (ARCERF) was created to provide a lifeline to currently serving members of all reserve components in Arkansas, including the Arkansas Army and Air National Guard, the Army Reserve, the Air Force Reserve, the Navy Reserve, and the Marine Corps Reserve. The ARCERF provides emergency assistance to members of the reserve component in Arkansas when unexpected financial emergencies arise with non-interest loans and grants. These financial assistance programs help meet immediate financial needs and help make a positive step towards a lasting financial solution. The standard assistance that the program provides is intended to help reserve component members stabilize emergency situations through a substantial financial impact. The collaborative process includes helping the member and/or their family create a budget for long term financial stability and may be funded through non-interest loans, a grant, or a combination of the two.

5. Youth Engagement/Recruitment. The ANGF engages with youth by funding an annual Minuteman Youth Camp, a resident camp for the children of Guard members conducted annually at Camp Joseph T. Robinson. The Foundation intends to expand its engagement by providing educational support to graduates of the National Guard Youth Challenge Program. This alternative program offers youth who have dropped out of high school or are not progressing, the opportunity to change their future by learning self-discipline, leadership and responsibility while working to obtain their high school diploma or GED. Many of the graduate's go on to college. The Foundation provides scholarships to NGYC graduates and enables their vocational training by paying for certificates in various trades. The ANGF will also engage with the children of National Guard Service Members by helping to fund day camps and childcare activities for families while their service member attends drills. Fierce and Resilient Day Camps prepare military kids for today's environment while helping to meet the childcare needs of our traditional drilling Guardsmen and women. Finally, the ANGF seeks to increase the National Guard's involvement with the Junior and College ROTC programs around the state by funding training site and Air Base visits for ROTC Cadets to educate them on service opportunities within the Arkansas National Guard. The total program need is \$1 million.

6. Healthcare Assistance. One of the biggest readiness issues that confronts National Guard commanders when mobilizing National Guard Soldiers and Airmen is Physical and Dental Readiness. While some treatment care is provided to members, many times this care is what is most cost effective for the Government and may involve extraction rather than true restorative care. The ANGF can provide vouchers to service members for restorative dental care. The Foundation in coordination with other nonprofits, such as the Delta Dental Foundation will provide education on dental hygiene practices that will also contribute to dental readiness. Believing that employees who have paid for medical insurance are attractive to Arkansas employers, the ANGF can fund a matching share of the cost of Tricare Reserve Select for Guard members and their families. This will ensure that members have access to quality healthcare on a year-round basis while providing Arkansas employers with fully ensured employees. The total program need is \$2 million.

7. Legacy Preservation. The ANGF funds programs that help maintain engagement with our retirees and preserves the military heritage of Arkansas National Guard units and their military predecessors. Since its humble beginnings as two militia companies formed during the American Revolution to help secure the French fortifications at Arkansas Post in 1780, Arkansas National Guard units have served in every armed conflict and multiple state and national emergencies. The ANGF funds the Arkansas National Guard Museum in its mission to collect information and artifacts relating to the Arkansas National Guard and its militia predecessor and relating to Camp Joseph T. Robinson and its predecessor, Camp Pike and to make those artifacts available to the public and to posterity. The total program need is \$1 million.

Damon Cluck

From: Paul Jara <paul.jara@outlook.com> on behalf of Paul Jara
Sent: Tuesday, November 30, 2021 9:18 PM
To: Damon Cluck; Gary Wynn; Derrick Young; Adam Warford; Ryan Workman; bettsrussel@yahoo.com; Brian Mays; Derrick Young
Cc: therealpauljara@gmail.com
Subject: RE: AR National Guard Foundation - Development Specialist

NGF Board members.

As mentioned, I will meet with Catherine on Monday to sign the agreement. We'll also be talking about a 45-day strategy to get the ball rolling with our endowments.

If you have time, we'll be meeting from 1300 to 1500 at the NGAA Building.

Thank you all!

-Paul Jara

From: Paul Jara
Sent: Monday, November 22, 2021 10:53 AM
To: Damon Cluck <dcluck@ngaa.org>; Gary Wynn <blmil137@yahoo.com>; Derrick Young <derrick.v.young@gmail.com>; Adam Warford <atwarford@gmail.com>; Gary Wynn <blmil137@yahoo.com>; Ryan Workman <rworkman99@hotmail.com>; bettsrussel@yahoo.com; Brian Mays <eaangpresident@gmail.com>; Derrick Young <derrick.v.young@gmail.com>
Cc: therealpauljara@gmail.com
Subject: AR National Guard Foundation - Development Specialist
Importance: High

Board Members;

I have had an opportunity to talk to Catherine Johnson (CJ&A) regarding her proposed work on our foundation. In consultation with Ryan, she and I have worked up the attached proposal.

With your collective concurrence, I propose that I sign the agreement on 6 December 2021 and begin planning with CJ&A to get up and running, on or before 1 Jan 2022.

I am willing to entertain an electronic vote of this matter. I'd also be happy to meet between now and the 6th to discuss this one issue with the board.

We've already achieved a great deal of consensus on this matter. Please let me know ASAP how you'd like to proceed.

This week we're all trying to find time with our families. Next week will be drill-prep for most of us. There will never be a perfect time.

Time is short and we've lots of great things to do with this Foundation!!

I look forward to 2022 and will stand by for your input. The two motions below are proposed to get the ball rolling.

Vote #1: Agreement to retain CJ&A for a period of 24-months in accordance with the agreement attached.

Vote#2: Agreement to commit \$40,000 from the Foundation's unrestricted funds on 6 December 2021. This represents a \$10,000 check to be delivered to CJ&A on the 6th. In the highly unlikely case that we determine **before** 1 Feb 2022 that the board wants to take another path, the remaining \$30K will be due on 1 Feb 2022 as severance.

-Paul Jara
Arkansas National Guard Foundation.

Agreement between

Catherine Johnson & Associates, Inc.

and

Arkansas National Guard Foundation

For and in consideration of Two Hundred Forty Thousand Dollars (\$240,000.00), Catherine Johnson & Associates (hereafter called "CJ&A") shall provide consultant services to Arkansas National Guard Foundation (hereafter called "ANGF") to raise funds for ANGF over a projected campaign time period of two years. CJ&A will develop a fundraising plan which will include the direct solicitation of foundations, corporations, or individuals who may, when properly cultivated, contribute to ANGF for the priorities outlined by the Board. The fundraising plan will be developed in accordance with customary professional fundraising standards and be reasonably calculated to achieve a capital fund goal of \$10 Million. Prospect research to develop lists of prospective donors, and the gift potential of each prospect will be conducted through discussions with Mr. Paul E. Jara, President of the Board, Ryan Z. Workman, President of the National Guard Association or Arkansas, and the campaign development committee.

CJ&A shall be responsible for carrying out the following items:

- Develop partnerships with public officials for the purpose of securing major grants and federal funds
- Work with Attorney General for procurement of settlement funds
- Assist with Legislative appropriations and other state funding opportunities
- Research Federal funding opportunities
- Coordinate all necessary grant applications and coordinate submissions to charitable foundations and public agencies through Central Arkansas Planning and Development District
- Conduct development audit of ANGF charitable donations
- Assess giving potential of past ANGF prospects
- Develop of list of leading corporate CEOs for meetings with development committee members, ANGF leadership and officers.
- Evaluate the top fifty Arkansas charitable foundations for giving potential for ANGF
- Cultivate and evaluate the major gift prospects throughout Arkansas' seventy-five counties

- Prepare campaign packets for major gift fundraising, including case statement and executive summary
- Meet with each ANGF board member to maximize development opportunities through existing relationships and contacts
- Meet with and consult on a regular basis and as needed the Campaign Committee designated by the ANGF to promote and monitor campaign activities.
- Prepare development reports monthly, and meet with the ANGF board quarterly, or as requested by the President and Legislative Liaison
- Work with prospect and development schedules to maintain active solicitation of major gifts
- Develop calendar for grant submissions
- Identification of fifty to one hundred major gift prospects, who are qualified to make a pledge of \$25,000 or greater
- Research twenty-five foundations and individuals who have the capacity to contribute \$100,000 or greater
- Develop mailing list of corporations statewide
- Schedule a minimum of five major gift solicitations per month and accompany committee members on the fundraising calls as needed
- Accelerate all major gift prospects with appropriate follow-up and an updated case statement to define the importance of the campaign
- Maximize the potential of each board member through identification of their statewide philanthropic contacts
- Assist to the fullest extent in scheduling, travel to appointments, follow up letters, communication with donor prospects, and grant applications
- Provide training in fundraising, as needed, to staff and board of directors
- Maintain files and records pertaining to the fundraising activities for ANGF. All files and records will be passed to ANGF at the end of the campaign.
- Provide complete, turn-key management of fundraising activities, including secretarial services, computer services, scheduling, writing, and coordinating solicitation of prospective donors, tracking of contributions, and follow-up correspondence

- Develop comprehensive planned giving estate plan for Guard members, including will preparation, bequests, and insurance.

This contract may be cancelled upon ninety days written notice by either party. If Arkansas National Guard Foundation chooses to exercise this cancellation clause, the only further payment due to CJ&A shall be three monthly payments of \$10,000, for a total of \$30,000.

The term of professional services provided by Catherine Johnson & Associates under this Agreement shall be from January 1, 2022 through December 31, 2023. The consulting fee of \$240,000 shall be paid to CJ&A as follows: The initial payment of \$10,000 on January 1, 2022, and twenty-three subsequent payments of \$10,000 on the first day of each month through December 1, 2023. The monthly consulting fee includes all expenses associated with the campaign, including in-state travel, fuel, meals, lodging, office supplies, computer expenses, secretarial, phone, postage, and delivery services.

Catherine Johnson & Associates, Inc.

Date: _____

By: _____
Catherine Johnson, CFRE
President

Arkansas National Guard Foundation

Date: _____

By: _____
Colonel Paul Jara
President – Board of Directors

Arkansas National Guard Foundation

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